

B.—Cheques.

9. Officers who are furnished with letters of credit may make payments either in cash or by cheque. Cheques should be used as much as possible for large payments. They may not be used for the transfer of funds from one division to another. **447—Rule 2.**

10. In drawing cheques the rules in Chapter I, Civil Account Code, Volume I, should be carefully observed. The procedure for dealing with cancelled, lost or lapsed cheques is described in Articles 22 to 24. **447.**

11. An account current with each treasury should be kept in Form 3 in a book by every officer holding a letter of credit, in which should be entered, as each cheque is drawn, the date of it and the name of the person in whose favour and the purpose for which drawn. The account for each treasury on which a credit is held should be entered on a separate page. This book should be balanced quarterly and signed. The maintenance of this account enables an officer to ascertain at any moment the balance of each letter of credit and thus minimises the risk of overdrawal. **448A-28.**

12. In the same book should also be kept, in Form 4, a monthly register of cheques drawn from all treasuries in which the officer holds letters of credit. **448A-29.**

13. All letters of credit lapse at the close of the financial year but cheques drawn on or before the 31st of March, and presented for payment at the treasury on or before the 30th of April, will be taken by the Treasury Officer against the letter of credit of the official year in which the cheques were drawn. If presented for payment after the 30th of April their amount will be taken against the letter of credit of the year succeeding that in which they were drawn. **445.**